Promotion of Khadi products

302. SHRIMATI PREMA CARIAPPA:
PROF. ALKA BALRAM KSHATRIYA:
SHRI E.M. SUDARSANA NATCHIAPPAN:

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether any fresh initiative is being taken by Government to promote the use of Khadi products among the people;

(b) if so, the details thereof;

(c) whether any new step is being taken to promote Khadi in urban areas of the country; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD) (a) Yes, Sir.

(b) to (d) To promote the use of khadi products throughout the country including urban areas, the Khadi and Village Industries Commission (KVIC) under the Ministry of Agro and Rural Industries has taken various steps, viz. (i) organizing exhibitions at various (viz., National/Zonal/District) levels, (ii) participation in national and international exhibitions, (iii) providing financial assistance for product development, improved designs, packaging, etc., (iv) setting up a Confederation for Promotion of Khadi and Village Industries (CPKVI) for marketing of Khadi products, (v) launching 'Mission Khadi' to convert the Khadi fabric into ready-made garments of the latest designs, mainly for use of the youth in urban areas, etc.

Promotion of rural industries

303. PROF. M.M.AGARWAL: Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the steps being taken by the Government for development and promotion of rural industries in the villages of the country;

(b) the plans formulated and being implemented in the country; and

(c) the amount sanctioned and spent under the scheme during the Tenth Plan period, so far?

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD): (a) and (b) To develop and promote rural industries in the villages of the country, Government has been implementing the Rural Employment Generation Programme (REGP) and Prime Minister's Rozgar Yojana (PMRY). The details of these scheme are given below:

(1) Rural Employment Generation Pgoramme (REGP):This is a credit-linked subsidy (margin money assistance) programme for villages and small towns with population less than 20,000 with the following principal features:

(i) Implementing agencies: Public sector banks, regional rural banks, private sector banks approved by the State/Union Territory (UT) Khandi & Village Industries (KVI) Boards and co-operative Banks, approved by the State/UT KVI Boards.

(ii) Eligible beneficiaries: Individual enterpreneurs, self-help groups, institutions, co-operative societies, trusts and public limited companies owned by State/Central Government for economically viable activities, other than those in a small negative list.

(iii) Pattern of financial assistance: The permissible margin money assistance as detailed in the table below:

Margin Money Assistance under REGP

Sl. No.	Category of beneficiary	Project cost	Margin money assistance
1.	General	Upto to Rs. 10 lakh	25 per cent of project cost
		Above Rs. 10 lakh and upto Rs. 25 lakh	Rs. 2.5 lakh plus 10 per cent of balance project cost.
2.	SC/ST/OBC/Women/ PC/Ex-servicement/NE Region/Hill areas	Upto Rs. 10 lakh	30 per cent of project cost.
		Above Rs. 10 lakh and up to Rs. 25 lakh	Rs. 3 lakh plus 10 per cent of balance project cost.

Note: SC/ST—Scheduled Caste/Scheduled Tribe; PC—Physically Challenged, NE—North Eastern

(iv) Tenth Plan target: 25 lakh employment opportunities.

(2) Prime Minister's Rozgar Yojana (PMRY):This is also a credit-linked subsidy programme for rural and urban areas with the following principal features:

(i) Implementing agencies: District Industries Centres (DICs) of the State Governments/UTs and banks.

(ii) Eligible beneficiaries: Educated unemployment youth in the age group of 18—35 years (upper age limit relaxed upto 45 years for women, SC/ST, ex-servicemen and physically challenged) who have passed 8th standard examination and whose family income is less than Rs. 40,000 per annum are eligible to get loans and subsidy for all economically viable activities.

(iii) Pattern of financial assistance: Project costing upto Rs. 1 lakh for business sector and upto Rs. 2 lakh in other sectors are eligible for assistance, with the subsidy being limited to 15 per cent of the project cost, subject to a ceiling of Rs. 7,500/-. Eligible persons can joint together in a partemship to get assistance for projects upto Rs. 10 lakh. The margin money contribution from the beneficiary varies from 5 per cent to 16.25 per cent of the project cost so as to make the sum of the Government subsidy and beneficiary's own margin money contribution equal to 20 per cent of the project cost.

(iv) Tenth Plan target: 16.5 lakh employment opportunities.

(c) The details of amount sanctioned and spent under the scheme during the Tenth Plan period are given below:

(Rs. in crore)

Name of the Programme	Tenth Plan outlay	Actual expenditure during 2002-03	Actual expenditure during 2003-04	Actual expenditure during 2004-2005 (at the end of January, 2005)
REGP	1177.60	192.87	281.75	264.50
PMRY	750.00	168.10	167.83	187.39